

700 files



United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, CA 95825-1898

IN REPLY REFER TO:

MP-730
FIN-6.20

JUN - 3 2013

Ms. Kim Carsell
U.S. Army Corps of Engineers
Planning Division, 10th Floor
Sacramento, CA 95825

Subject: Central Valley Project Cost Allocation Study United States Army Corps of Engineers
Flood Control and Navigation Benefits Conclusions

Thank you for participating in the Central Valley Project (CVP) Cost Allocation Study (CAS). The purpose of this letter is to document conclusions and results of analyses performed by the United States Army Corps of Engineers (USACE) for the CVP CAS regarding flood control and navigation benefits.

The flood control analysis completed by the USACE for the CVP CAS indicates the value of flood control benefits will greatly exceed the cost of a single-purpose flood control alternative. As a result, no further benefits analysis is needed; the single-purpose flood control alternative cost is the maximum justifiable expenditure and will be the controlling parameter in the allocation of joint costs to flood control.

Currently, the CVP plant-in-service allocation prepared annually to support the rate-setting processes for CVP water and power contractors includes a flood control purpose and allocates costs of the CVP Trinity River Division (Division) to flood control. However, an investigation (H.R. Document No.181, 3rd Congress, 2nd Session) by the USACE in 1933, concluded that navigation and flood control operations in the Klamath River Basin, located in the Division, were not warranted. In addition, flood control and navigation were not authorized purposes of the Division, and any benefits that may accrue to flood control or navigation are incidental to its primary operation for fishery flows, recreation, irrigation deliveries, and power generation. Therefore, the CAS will not allocate any construction costs of the Division to the flood control purpose of the CVP. These costs will be allocated among the other purposes of the CVP.

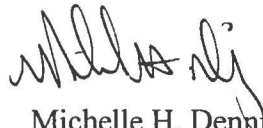
Navigation was originally a CVP purpose in recognition of historical commerce on the Sacramento River, which was supported by a CVP-authorized minimum flow of 5,000 cubic feet per second (cfs) at Chico Landing. Currently, there is no commercial traffic between Sacramento and Chico Landing, and the USACE has not dredged this reach to preserve channel depths since 1972. However, long-time water users diverting from the river set their pump intakes just below this level. Therefore, the CVP is operated to meet the navigation flow

requirement of 5,000 cfs to the Wilkins Slough gauging station on the Sacramento River, under all but the most critical water supply conditions, to facilitate pumping and use of screened diversions. The CVP has little, if any, effect on the navigation of ocean-going ships calling at the ports of West Sacramento and Stockton. As a result, the CAS will not allocate any construction costs of the CVP to navigation. Again, these costs will be allocated among the other purposes of the CVP.

Thank you for your participation on the technical team and completing the necessary flood control analyses for the CVP CAS.

If you have any additional questions or concerns, please contact Ms. Brooke Miller-Levy, CVP CAS Project Manager, at 916-978-5296 or bmillerlevy@usbr.gov.

Sincerely

A handwritten signature in black ink, appearing to read "Michelle H. Denning", is positioned above the printed name.

Michelle H. Denning